

UNITED STATES ~~DISTRICT~~ BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

Civil Case# 12 – cv 12020

Residential Capital, LLC, et al

Debtor

v.

U.S. Trustee

United States Trustee

33 Whitehall Street

21st Floor

New York, NY 10004

(212) 510-0500

Claims and Noticing Agent

Kurtzman Carson Consultants

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El Segundo, CA 90245

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Supplemental

**Brief in support of "Motion to Clarification of Stay and Relief
From Stay"**

Supplemental Brief in support of Motion to Stay both claims by GMAC and
Taggart, defendant.

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The court should grant a Stay to all proceeding in this case pursuant to the Aurora Bank FSB decision and memorandum in support of Order dated August 7, 2012.

The Aurora decision exemplifies the attempt by GMAC to use the Bankruptcy as both a shield and a sword. GMAC attempts to assert its claims using its "Sword", while attempting to use the Bankruptcy "Shield" to prevent counterclaims for its actions in the same or related transaction. GMAC has planned and attempted to proceed with, inter alia, foreclosures with claims & counter- claims against them, including false and fraudulent documents.

For the foregoing reasons, *The Aurora Bank FSB decision and memorandum should be applied to this case.* GMAC is attempting to foreclosure while preventing claims for origination, inter alia, TILA, RESPA , Unfair Trade Practices Act Claims. Furthermore, claims of fraudulent transfer of title, lack of chain of title, lack of ownership of mortgage or note, failure to produce "wet Ink notes" and "wet Ink mortgage". And above all still foreclosing with now fraudulent affidavits from "Jeffrey Stephan" the world's most famous "Robo – Signer" , trained and produced by GMAC Mortgage.

A Stay should be in place for both parties until lifted by Bankruptcy court.

GMAC attempting to evade responsibility for its action with abuse of Stay

Based on the Aurora decision, neither party should be able to proceed without permission. Granting a Stay for defendants of foreclosures while allowing GMAC to continue with business as usual is clearly an attempt to evade responsibility, and effective use the "Sword" & "Shield".

Offsets of judgments against GMAC should be allowed in foreclosure as it has been consented to by GMAC and granted by the court.

Furthermore, the court & GMAC have recognized in at least one hearing with the "National Association of Bankruptcy Lawyers", that offsets to any judgments entered against them by GMAC will have the right to offset their judgment with judgments from counter-claims or claims against GMAC by defendants.

This offset should be extended to defendants in foreclosure as well. Bankruptcy Courts and Bankruptcy laws typically recognize the same or similar defenses of offsets by defendants in foreclosure. This would create a manifest injustice and allow GMAC to simply foreclose on properties and pay claims and counter-claims back at pennies on the dollar..... if at all.

Conclusion:

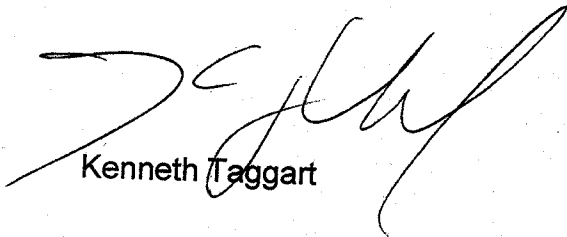
Taggart's position is that a STAY should be lifted or Granted at the same time. Both GMAC and defendants in foreclosure should be able to assert claims against GMAC, including monetary claims to the extent they offset any judgment obtained by GMAC.

It is further asserted that claims and counter-claims, including punitive damages against GMAC for, *inter alia*, willful malice, Racketeering, Fraud, and Fraud Upon The Court should Be allowed as well. GMAC Mortgage should not hide behind Bankruptcy laws to evade responsibility for willful fraud upon homeowners.

The current order allows for claims and counterclaims to be asserted when there is a need to assert a monetary damage as a requirement to plead as a matter of law.

A stay on claims regarding to the mortgage in question should proceed without limitations to prevent a *manifest injustice* to Taggart as well as all borrowers who have claims asserted which involve the mortgage in question. The position that GMAC, LLC may proceed, but defendants in a foreclosure may not proceed is ludicrous and violates borrowers constitutional rights regarding property and due process.

Respectfully Submitted,



Kenneth Taggart

August 14, 2012

Certificate of Service

Case # Civil Case# 12 – cv 12020

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August 24, 2012

Certificate of Service

Case # Civil Case# 12 – cv 12020

Residential Mortgage Capital, et al

The undersigned certifies that on August 14, 2012, he caused a copy of :

Supplemental

Brief in support of "Motion to Clarification of Stay and Relief From Stay"

to be delivered to The United States Bankruptcy Court for The Southern District of New York via United States Post Office. Additionally, the undersigned certifies that he caused a true and correct copy of the foregoing Notice to be sent via to United States Post Office on August 14, 2012 to the following parties :

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